



Translation of: Reaction to the third implementation report and advice pertaining to the third draft budget amendment 2025

Original title: Reactie derde uitvoeringsrapportage en advies bij derde ontwerpbegrotingswijziging 2025

In case of differences in interpretation between the English translation and the Dutch version of the text, or in legal proceedings or escalation procedures pursuant to applicable regulations, the original Dutch version shall always be leading.

Dear Mr. Johnson,

On October 29th, 2025, the Board of financial supervision of Bonaire, Sint Eustatius and Saba (Cft) received Saba's implementation report (UR) on the third quarter of 2025. The third UR contains the third draft budget amendment (OBW) of the budgetary year 2025. You hereby receive the Cft's reaction to the UR and the OBW.¹ In Annex 1 to this letter you will find further clarification and substantiating figures.

Conclusion

The Cft's judgment on Saba's third UR and third OBW is positive. The special benefits are presented in an insightful manner and the recommendations from previous reports have largely been followed. After amendment, the budget remains balanced multiannually, which means that after amendment, the budget meets the central standard.

The realization up to and including the third quarter of 2025 does not reach the budgeted level, particularly with regard to the investments. Inclusion of the obligations in the realization figures, however, may provide a more accurate reflection of the realization figures. The Cft points out the importance of timely implementation and spending. Saba shows its financial management is solid.

Subsequent steps

The Cft recommends to include the obligations in the implementation reports in a manner that offers more insight. The Cft will gladly engage Saba in conversation on this topic.

Explanatory statement

Budget amendment

The third OBW does not lead to a modification of the multiannual balance. The increase of income and expenses predominantly has to do with amendments with regard to the special benefits, including projects in the field of infrastructure, culture and education.

Obligations

The realization of the total expenses in the first three quarters amounts to 62 percent of the annual budget. Saba states that obligations have been incurred that have not been included in the actual figures. Saba anticipates that these obligations will lead to exhaustion of the budget. Inclusion of the status of the obligations in the implementation reports will allow the Island Council to form a better image of the extent to which the budget is being implemented. The Cft would gladly engage Saba in conversation regarding the clarification of the obligations.

Sincerely,
The Chair of the Board of financial supervision of Bonaire, Sint Eustatius and Saba

[signature]
Ms. L.M.C. Ongerling, MA

A copy of this letter was sent to:
The Island Council of the Public Entity Saba
The Head of Finance of the Public Entity Saba

Annex 2: Endnotes

¹ Pursuant to Article 22 of the Act on Finances of the Public Entities Bonaire, Sint Eustatius and Saba (*Wet financiën openbare lichamen Bonaire, Sint Eustatius en Saba* – FinBES Act), the Cft responds to the third UR of 2025. The FinBES Act, supplemented by the criteria set out in the Decree on Budget and Justification Public Entities BES (BBV BES), forms the framework for the assessment of the UR.